

BEAR CREEK



W I N E R Y

August 10, 2005

Comment 82

Mr. John Manfreda
Alcohol & Tobacco Tax and Trade Bureau
U.S. Treasury
1310 G Street, NW
Washington DC, 20220

Re: TTB Notice 49 — Petition to amend 27CFR, sec. 4.27 (vintage date regulations)

Dear Administrator Manfreda:

I am the Operations Officer for the Bear Creek Winery in the Lodi Appellation of California. Along with Ironstone my sister winery in the Sierra Foothills we sell nearly one million cases of wine in the US and in 45 foreign countries. The Kautz family, a third generation farming family that has nearly 5000 acres of premium wine grapes in the Lodi appellation, owns both wineries. We have worked very hard to reach the level of success that we now enjoy. We are producing wines of quality and distinction at a price our consumers find attractive.

Because we work with so many other countries we are very aware of the differences in the rules that they operate under compared to ours. Most of our competition is allowed to blend 85% of the label stated vintage with 15% of another vintage. This allows them a great deal of flexibility in creating consistent wines year in and year out. A young red wine can be softened with the addition of 15% of the previous vintage while a white wine can be made fresh and fruity with the addition of 15% of a new vintage. We are not able to do that under our current rules. This gives our competitors a clear advantage that they have used very well to grab over 25% of the US market. We are not asking for any kind of trade barriers or tax duty just the opportunity to compete and recover our markets with a level playing field.

We support the Wine Institutes efforts to change the vintage date requirement to 85% and would encourage you to look upon the petition favorably

Sincerely,

Craig Rous
Director of Operations and Planning
Bear Creek Winery

